R&D and patented under the Indian Patent Act, 1970 would be eligible for exemption from price control. These exemptions would be available for the period specified in the polity. With a view to encouraging generation of intellectual property and facilitating indigenous endeavours in pharma R&D, appropriate fiscal incentives would be provided. The establishment of the Pharmaceutical Research & Development Support Fund has also been approved in principle.

India-Oman fertilizer plant

2093. SHRI RUMANDLA RAMACHANDRAIAH: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) Whether India and Oman have signed an initial agreement to build a $969 million fertilizer plant in the Gulf state:

(b) if so, whether the State-run Oman Oil Company would hold a 50 per cent stake in the project, while India's Krishak Bharti Co-operative limited (KRIBHCO) and Indian Farmers Fertilizers Co-operative (IFFCO) would hold the remaining 25 per cent each;

(c) if so, what are the details of the agreement reached; and

(d) by when this plant is likely to be set up?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI SATYA BRATA MOOKHERJEE): (a) Govemment of India and Government of the Sultanate of Oman signed a Memorandum of Understanding on July 30, 1994 to initiate plans for construction of ammonia/ urea complex in Oman.

(b)Yes, Sir.

(c) A Joint Venture Agreement was signed between Oman Oil Company, Krishak Bharti Co-operative Ltd. and Indian Farmers Fertilizers Co-operative Ltd. on 20th October, 2000. Subsequently, the following agreements have been installed by parties concerned to the project.

(i) Urea Off-take agreement and its related Direct Agreement,

(ii) Engineering Procurement and Construction Agieement.

(iii) Ammonia Off-take Agreement and its related direct Agreement,

(iv) Gas supply agreement and its related Direct agreement.

(d) The plant is likely to be set up by the middle of year 2005.